

Message Text

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43

ACTION XMB-07

INFO OCT-01 EA-11 NEA-10 ADP-00 EB-11 COME-00 TRSE-00

FRB-02 CIEP-02 OPIC-12 AID-20 FPC-01 INT-08 CIAE-00

INR-10 NSAE-00 RSC-01 RSR-01 /097 W
----- 064099

R 271214 Z JUN 73

FM AMEMBASSY TEHRAN

TO SECSTATE WASHDC 2887

INFO AMCONSUL DHAHRAN

AMEMBASSY JIDDA

AMEMBASSY KUWAIT

AMEMBASSY TOKYO

C O N F I D E N T I A L TEHRAN 4547

PASS EXIM BANK

E. O. 11652: GDS

TAGS: ENRG, IR

SUBJECT: GAS: METHYL FUEL PROJECT FOR QESHM ISLAND

REF: TEHRAN 2392

1. MARTIN AND SMITH CALLED ON AMBASSADOR JUNE 16 TO REPORT ON RESULTS FEASIBILITY STUDY FOR THE METHANOL PLANT. THEY REPORTED STUDY HAD SHOWN THAT ON BASIS OF EXISTING INFORMATION GAS RESERVES ON ISLAND ARE TOO SMALL TO SUPPORT PLANT OF SIZE NECESSARY TO JUSTIFY INVESTMENT IN UNUSUALLY EXTENSIVE SUPPORTING FACILITIES REQUIRED BY REMOTE LOCATION. SIZE OF INVESTMENT REQUIRED ALSO FURTHER INCREASED BY EXTRA PROCESSING RESULTING FROM LOW QUALITY OF GAS WHICH CONTAINS LARGE QUANTITIES INERT GASES INCLUDING ABOUT 16 PERCENT NITROGEN.

2. UNDER QUESTIONING, MARTIN AND SMITH ADMITTED THAT RESERVE ESTIMATES HAD TO BE BASED ON VERY SMALL NUMBER OF WELLS AND THAT THEY WERE UNWILLING UNDERWRITE \$6-8 MILLION DRILLING PROGRAM NECESSARY TO DETERMINE EXTENT OF RESERVES DEFINITELY. THUS, POSSIBILITY
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STILL REMAINS THAT ANOTHER COMPANY WILLING TO RISK MONEY FOR
DRILLING PROGRAM MIGHT DEVELOPE VIABLE PROJECT.
HELMS

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NNNNMAFVVZCZ

*** Current Handling Restrictions *** n/a

*** Current Classification *** CONFIDENTIAL

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 27 JUN 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973TEHRAN04547
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GDS
Errors: n/a
Film Number: n/a
From: TEHRAN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730630/aaaajqdy.tel
Line Count: 69
Locator: TEXT ON-LINE
Office: ACTION XMB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 73 TEHRAN 2392
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 07 NOV 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <07-Nov-2001 by elyme>; APPROVED <17-Dec-2001 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> jms 980227
Subject: GAS: METHYL FUEL PROJECT FOR QESHM ISLAND
TAGS: ENRG, IR
To: DHAHRAN
JIDDA
KUWAIT
SECSTATE WASHDC
TOKYO
XMB
Type: TE

Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005